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# Foreign CROPS AND MARKETS



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UNITED STATES DEPARTMENT OF AGRICULTURE  
FOREIGN AGRICULTURAL SERVICE  
WASHINGTON 25, D. C.

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L A T E N E W S

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Transshipments of Mexican cotton through United States ports in August 1953 totaled 77,000 bales (of 500 pounds gross), compared with 112,000 in August 1952. Both figures exclude transshipments to Canada by railroad. The principal destinations in August 1953 were Western Germany 18,000 bales, Belgium 14,000, Japan 13,000, Switzerland 8,000, Spain 8,000, and United Kingdom 7,000.

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#### FOREIGN CROPS AND MARKETS

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# INCREASE IN CANADIAN MILK PRODUCTION EXPECTED FOR 1954

Information from the Federal-Provincial Agricultural Conference held at Ottawa, Canada on November 23rd and 24th indicates that the agricultural officials of that country are expecting a record milk production of approximately 18 billion pounds in 1954. The previous high of 17.6 billion pounds was set in 1945. Most of the increase next year may be effected through an increase in milk cow numbers, since milk cow numbers are about 4 percent above a year ago.

Appreciable increases in production are anticipated for evaporated milk, cheddar cheese and possibly butter, while a slight increase is forecast for powdered milk but no appreciable change in the 1953 production level is anticipated for sweetened condensed milk and casein.

## CANADIAN MEAT SUPPLY SLIGHTLY LARGER IN 1954

Larger supplies of beef, veal, mutton and lamb, and smaller supplies of pork are in prospect for Canada for the livestock marketing year 1953-54 which began on October 1, according to the annual Federal-Provincial Agricultural Conference Outlook for 1954. The expected decrease in supplies of pork will be more than compensated by the increase in other meats and total available supplies of meat from commercial marketings will probably be about 4 per cent higher than in 1952-53.

Increased marketings of cattle and calves may lead to a closer export relationship between Canadian and United States prices than existed during most of 1952-53 and a slight decline in the average price of cattle from the preceding year's level.

Prices of sheep and lambs will probably follow the general trend of cattle and calf prices.

The currently strong market for hogs is likely to continue until the fall of 1954 with seasonal variations. At that time, if the anticipated increase in marketings both in Canada and the United States materializes, prices may decline from the levels of 1953.

The expected relationship between prices of beef and pork will probably result in a continuance of the recent rates of domestic disappearance of these two meats. In 1953-54 disappearance of beef from commercial slaughter may rise and disappearance of pork decline by as much as 15 percent from 1952-53. The domestic disappearance of veal and mutton and lamb may each increase above 1952-53 by the same percentage as beef.

The consumption of all meats is expected to increase slightly over 1952-53.



The expected high level of domestic disappearance will limit the surplus of cattle and calves in spite of larger volume of marketings. In 1953-54 Canada's surplus of cattle and calves may amount to about 230,000 head.

Although marketings of hogs may approximate 5.2 million in 1953-54 a reduction of about 700,000 head from 1952-53, the expected decline in domestic consumption may still leave about 85 million pounds of pork available for export, about 14 million pounds more than were exported in the corresponding period of 1952-53.

#### MORE LAYERS ON CANADIAN POULTRY FARMS NEXT YEAR

Canadian Agricultural officials, according to information from the Federal-Provincial Agricultural Conference held at Ottawa, Canada on November 23rd and 24th, expect an increase in Canadian egg production for the last half of 1953 and the first half of 1954. In response to the firm egg prices that prevailed last spring, farmers kept pullets for the laying flock which would have been marketed for broilers had egg prices been less favorable. There were 5 percent more layers on Canadian farms in September than a year ago. This is a fair indication of the increase to be expected in egg supplies above those of a year ago.

The farm crop of poultry in 1953 is not significantly different from a year ago. About 14 percent fewer turkeys are being marketed, while other poultry may total slightly more than last year. Total supplies of farm poultry may not differ greatly next year; however, the shift of recent years toward more commercial broiler production as well as to the production of lighter weight birds is likely to continue in 1954.

#### LONDON WOOL AUCTION SATISFACTORY

Wool prices at opening week (November 25-27) of the seventh series London Wool Auction were down somewhat from the closing week of the previous series in early October but competition and clearance were termed satisfactory. This reflects the lower level prevailing in current sales in primary markets. Competition for most description was steady and sometimes keen and sales were about equally divided between the "Home Trade" and the Continent.

Good medium fleeces averaged \$2.66 per clean pound compared with \$2.75 in early October of this year and \$2.50 in late November 1952. Fine crossbred fleeces 56's averaged \$1.55, \$1.63 and \$1.55 and crossbred fleeces 46's averaged \$1.30, \$1.33, and \$1.20 for the dates given.

## WORLD BUTTER AND CHEESE PRICES

DAIRY PRODUCTS: Wholesale prices at specified markets  
November, 1953, with comparisons  
(U. S. cents per pound)

Country, market and description	Butter				Cheese			
	Date	Quotations			Date	Quotations		
		Price	Month	Year		Price	Month	Year
			earlier	earlier			earlier	earlier
United Kingdom (London)								
National butter 1/	Nov. 6	40.7	41.0	36.4	-	-	-	-
Ration varieties 1/	-	-	-	-	Nov. 6	24.9	25.0	25.1
Australia (Sydney)								
Choicest butter	Nov. 1	41.8	41.8	41.8	-	-	-	-
Choicest cheddar	-	-	-	-	Nov. 1	25.7	25.7	25.7
Irish Republic (Dublin)								
Creamery butter	Nov. 3	54.7	54.7	50.4	-	-	-	-
- - - -	-	-	-	-	Nov. 3	30.8	30.8	28.8
Denmark (Copenhagen)								
	Oct. 29	44.7	42.0	42.7	-	-	-	-
France (Paris)								
Charentes Creamery butter	Oct. 29	94.6	92.0	86.3	-	-	-	-
Germany (Kempten)								
Markenbutter	Oct. 28	58.9	53.9	65.9	-	-	-	-
United States								
92-score creamery (N.Y.)	Oct. 23	69.0	66.9	70.0	-	-	-	-
Cheddar (Wisconsin)	-	-	-	-	Oct. 23	34.3	34.3	41.0
Creamery Butter	Oct. 3	3/	46.1	55.7	-	-	-	-
Netherlands (Leeuwarden)								
Full cream Gouda	-	-	-	-	Oct. 23	23.7	23.5	27.8
Edam 40 percent	-	-	-	-	" "	21.4	21.5	25.4
Belgium (Hasselt)								
	Oct. 29	82.1	78.0	81.7	-	-	-	-
Canada (Montreal)								
1st grade creamery 4/	Oct. 24	(62.2)	61.0	64.4	-	-	-	-
Ontario white 5/	-	-	-	-	Oct. 24	(30.5)	27.9	30.5

1/ Ministry of Food first-hand selling price. 2/ Accounting price based on average returns from exports. 3/ No quotation. 4/ Jobbing quotation. 5/ f.o.b. factory.

Source: Intelligence Bulletin, The Commonwealth Economic Committee; except where figures appear in parentheses.



## NEW ZEALAND CHANGES SALE POLICY FOR MEAT TO COUNTRIES OTHER THAN U.K.

The New Zealand Meat Producers' Board has announced that exporting firms are now free to sell meat in markets other than Britain within the franchise granted under the current contract with the British Ministry of Food. The "other markets franchise" allows for the sale of 15.7 million pounds a year to non-British markets, or 2 percent of New Zealand's exportable surplus, whichever is greater. In addition 5.6 million pounds of ewe mutton may be sold in other markets this season.

Until this season, the Board itself has sold meat under the "other markets franchise" with local firms handling consignments on a commission basis. The new selling policy on a trader-to-trader basis may result in a more aggressive approach to the problem of selling meat in countries other than Great Britain.

Principal sales to other markets for the 1952-53 season were 3.1 million pounds of bobby veal to Italy and 1.9 million pounds of lamb to Canada (beef shipped to the United States largely replaced quantities of Canadian beef cut off from the United States market while equal quantities of Canadian beef replaced New Zealand contract beef to the United Kingdom under a Canada-United Kingdom-New Zealand meat agreement). Total sales outside the United Kingdom contract last season amounted to only slightly more than half of the 15.7 million pounds allocated.

For the current season the Board has tentatively fixed the maximum quantities of lamb that may be exported to Canada this season at 2.2 million pounds and to the United States at 1.9 million pounds. Other classes of meat may be shipped to North America but no decision has been reached as to types and quantities available.

The same conditions are attached to the export of canned corned beef and mutton as applied last year. Up to 36.3 million pounds may be shipped to any destination on a trader-to-trader basis and 4.5 million pounds of sausage meat may be shipped on this basis to Britain only.

## AUSTRALIAN WOOL MARKET NOTES

About 8 percent less wool was received into store in Australia during October than a year earlier, and cumulative receipts from the first of July to the end of October were only 2.4 percent larger than in 1952 compared with an excess of 9.7 percent to the end of September, according to T.C.M. Robinson, Agricultural Attache, American Consulate General, Sydney.



October sales were 4.6 percent larger than a year earlier, greasy wool prices were 7.4 percent higher, and proceeds were 9.5 percent larger. Cumulative proceeds from current sales through the end of October were 16.7 percent larger than a year earlier.

During the second week of November, average prices on the Sydney and Melbourne auctions were about 2 percent higher than 4 weeks earlier for superfine merinos, approximately unchanged for medium and strong merinos and the stronger British breeds, and 3 or 4 percent lower for comebacks and crossbreds.

Short run market prospects are said to be good, with shrinking estimates of the size of the current clip and the probability of increased American buying more than balancing the possibility that Russian buying will not continue at the present high rate.

#### NIGERIA ANNOUNCES PALM KERNEL, PALM OIL PRODUCER PRICES FOR 1954

The Nigerian Oil Palm Produce Marketing Board has announced producer prices for palm kernels and palm oil for 1954, reports the American Consulate General, Lagos. Next year's prices for palm oil are considerably lower than in 1953 while the palm kernel price has been maintained at the present level. Producer prices, in pounds (£) per long ton (U.S. dollars per short ton in parentheses), for 1954 and previous years are shown below:

	1951	1952	1953	1954
Palm kernels	: £32 (\$80)	: £36 (\$90)	: £34 (\$85)	: £34 (\$85)
Palm oil:				
Special grade	: £71 (\$178)	: £80 (\$200)	: £75.5 (\$189)	: £65 (\$162)
Grade I	: £55 (\$138)	: £61 (\$152)	: £58 (\$145)	: £50 (\$125)
Grade II	: £43 (\$108)	: £47 (\$118)	: £45 (\$112)	: £38 (\$95)
Grade III	: £34 (\$85)	: £35 (\$88)	: £34.5 (\$86)	: £33 (\$82)

Commodity prices generally have declined during 1953 and world market prices for palm oil have fallen far below the Nigerian level. The Board noted that at current selling prices it was losing over £29 (\$81) per long ton on sales of special grade oil and over £12 (\$34) per ton in selling technical palm oil and was thus supporting the 1953 producer prices by these amounts. The total deficit incurred by the Board on its operations in palm oil in 1953 is estimated at £3.7 million (\$10,360,000). It was thus clear to the Board that the Nigerian palm oil prices must be scaled down to bring them into closer relationship with current and prospective world market values.

Palm kernel market prices on the other hand were fairly well maintained during 1953 and at the current producer price of £34 (\$85 per short ton) the Board has realized a margin on its operations in palm kernels. The Board noted that a total deficit estimated at £700,000 (\$1,960,000) was expected to result from all its operations in 1953.

#### ASIA'S RICE EXPORT SUPPLIES UP SHARPLY FROM LAST YEAR 1/

Cabled advice from Dexter V. Rivenburgh, rice marketing specialist of the Foreign Agricultural Service, indicates that Southeast Asia will have for export in 1954 quantities of rice sharply above those of the year before, and considerably larger than in any year since World War II. Potential supplies from Burma and Thailand, the 2 largest world exporters, are estimated at about 4 million metric tons (8,800 million pounds). In addition exportable supplies from Indochina will amount to several hundred thousand tons, if returns from the current crop are as large as early forecasts indicate. These supplies also are substantially larger than exports in 1953.

The new crop of Burma is expected to yield 1,500,000 metric tons (3,300 million pounds) for export in 1954, and carry-over supplies on January 1 are estimated at 600,000 to 700,000 metric tons (1,300-1,500 million pounds). Burma's exports during 1953 may drop to 1 million tons (2,200 million pounds).

The 1953 crop of Thailand will produce 1,400,000 tons (3,100 million pounds) for export, with a carry-over January 1, 1954, of at least 400,000 metric tons (880 million pounds). Rice exports from Thailand in calendar year 1953 will be less than 1,300,000 metric tons (2,900 million pounds).

The rice markets in Southeast Asia are virtually at a standstill at the present time. All importing countries, with the single exception of Japan, are having good rice crops in 1953-54, a situation which only rarely occurs. Importing countries will be able to rely on their stocks plus 1953 rice crops for some time, in some instances for as long a period as 6 months.

An extremely important point of interest at the present time is that the question of price is almost secondary to quality. Sales would be concluded now if shipments of acceptable qualities could be obtained at current price levels.

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1/ A more extensive statement soon will be published as a Foreign Agriculture Circular by the Foreign Agricultural Service, U.S. Department of Agriculture, Washington 25, D. C.



There is no surplus of good-quality rice and present sales are having little or no effect on demand for rice from the United States. Asia's rice-importing countries are determined to resist the purchase of old-crop rice, except for minimum needs. On the other hand, exporting countries still show no inclination to yield much in price, or to meet demands on reconditioned rice.

#### JAPAN PLANS TO INCREASE RICE IMPORTS 1/

Japan is expected to import around 1,600,000 metric tons (3,500 million pounds) of rice in the current marketing year (November 1953 - October 1954) if plans now being formulated are carried out. These planned imports are 700,000 metric tons (1,500 million pounds) larger than the import target set for rice imports last year. If Japan this autumn had not harvested one of the worst rice crops on record, the goal for rice imports in the year November 1953-October 1954 would probably not greatly exceed the target of 900,000 tons (2,000 million pounds) of the 1953-54 fiscal year.

Tentative amounts of planned imports and sources from which the 1,600,000 tons may be obtained are as follows in 1,000 metric tons (million pounds in parentheses): Asia, 870 (1,918); South America 70 (154); Europe 110 (242); United States 400 (882); other countries 150 (331), total 1,600 (3,527).

To the extent that the above quantities are not imported from countries in Europe and South America, rice imports from the surplus areas of Asia are expected to increase. The quality of rice offered for sale in the exporting countries is expected to play an important role in the volume of rice purchased from them for import into Japan. Rice imports from Pakistan are desired if supplies are available at acceptable prices. Decision on whether rice imports will be obtained from Korea reportedly depends on whether or not rice can be purchased at reasonable prices.

In this situation, Japan will again provide an important market for supplies of rice available for export from the 1953 crop in the United States. The main question relating to the extent of this outlet for United States rice is one of competitive prices. Maximum trade movement will be possible only if prices in the United States remain reasonable. There is a considerable volume of rice in Asia which may move at £50 to £55 Sterling (\$6.25-\$7.50 per 100 pounds). The competitive market will for the time being probably remain at about \$195 to \$198 per metric ton (\$8.85-\$8.98 per 100 pounds) for United States rice landed in Japan. --Based on a report by Dexter V. Rivenburgh, Foreign Agricultural Service marketing specialist.

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1/ A more extensive statement soon will be published as a Foreign Agricultural Circular by the Foreign Agricultural Service, U.S. Department of Agriculture, Washington 25, D.C.

## U.K. COTTON. CONSUMPTION RISING

Cotton consumption in the United Kingdom has increased rapidly in recent months from a seasonal low point of 117,000 bales (of 500 pounds gross) during August (4 weeks) 1953 to approximately 150,000 bales in October, according to K. M. Greaves, American Consulate General, Manchester. The latter figure is based on preliminary yarn production figures and is equivalent to about 87 percent of the high level of consumption reached in the last quarter of 1951 (about 200,000 bales in November) just before the beginning of a period of recession in the textile market.

In November 1953 the volume of orders reaching the industry was reported to be sufficient to maintain production at about 90 percent of the predepression (late 1951) level, thus using about 160,000 bales of cotton monthly. Consumption in 1952-53 averaged 130,000 bales monthly, reaching a low point of only 84,000 bales in August (4 weeks) 1952.

Imports of cotton into the United Kingdom in August and September 1953 totaled 220,000 bales (of 500 pounds gross), including 69,000 bales from the Anglo-Egyptian Sudan, 37,000 from the United States, 24,000 from Argentina, from Nigeria 18,000, from Peru 15,000, and from Egypt 13,000. A greater proportion of the cotton imported in 1953-54 will be on private account instead of through the Government's Raw Cotton Commission. Spinners have elected to buy on private account about 61 percent of American-type cotton, 40 percent of Egyptian type, 47 percent of Peruvian and Californian, and 83 percent of West Indian Sea Island.

## MEXICO'S COTTON PRODUCTION ESTIMATE REVISED UPWARD

The 1953-54 cotton crop in Mexico has been benefited by unusually favorable weather in the latter part of the growing period and the harvest period, according to Paul G. Minneman, Agricultural Attache, American Embassy Mexico City. The crop is now estimated unofficially at about 1.2 million bales (of 500 pounds), about 100,000 bales higher than an earlier estimate and 50,000 bales less than the 1952-53 crop. Nearly all of the increase is in the Mexicali and West Coast areas where harvesting was only about 50 percent complete in the middle of November.